

The President's Daily Brief

2 July 1970

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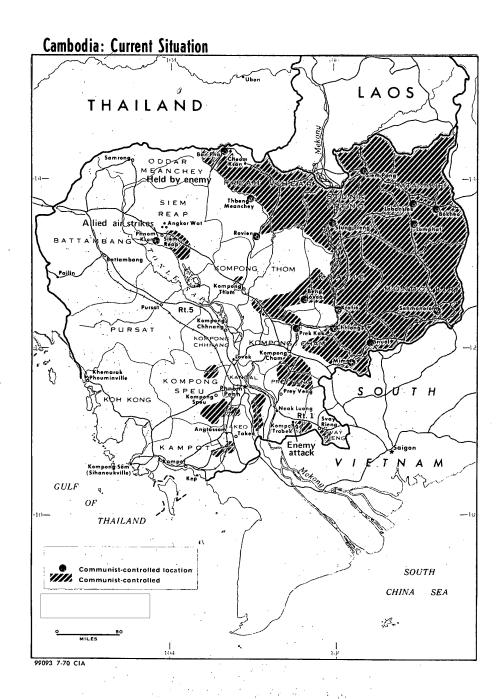
THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

his cabinet. Communist military activity has declined somewhat. (Page 1)	
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The Soviets are soon to embark on a major disaster relief program for Peru; sixty-five aircraft will be involved. (Page 3)	
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The package on Berlin offered by Soviet Ambassador Abrasimov Tuesday merely embroiders on earlier formulations advanced by the Soviets. (Page 5)	
A central committee plenum in Moscow is likely today, but we still do not know whether it will deal with personnel changes. $(Page\ 6)$	
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The military in Bolivia are again pressuring President Ovando to remove leftists from the cabinet.	•

FOR THE PRESIDENT ONLY



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CAMBODIA

Lon Nol has reorganized his cabinet. In changes announced yesterday, he lightened the heavy burden carried by his deputy, Sirik Matak, and shifted several other portfolios. Matak will continue functioning as vice president of the council of ministers (deputy premier), but most of his specific responsibilities have been turned back to the ministerial level. The number three man--Yem Sambaur--has lost his job as foreign minister, although he retains the justice portfolio and responsibility for liaison with the National Assembly. Lon Nol will continue serving as his own defense minister.

These changes seem to have been influenced both by recent assembly criticism and by Lon Nol's recognition that too heavy a load was being carried by three or four of his most trusted associates. Matak in particular had been badly overworked. He is now in a position to function as troubleshooter for the leadership.

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Generally reduced Communist military operations continued to be marked by harassment of government positions in widely separated areas of the country.

Siem Reap city received another brief round of mortar fire on 30 June. Allied air strikes on the Communist-controlled town of Phnom Krom, south of Siem Reap, are reported to have resulted in 50 enemy killed.

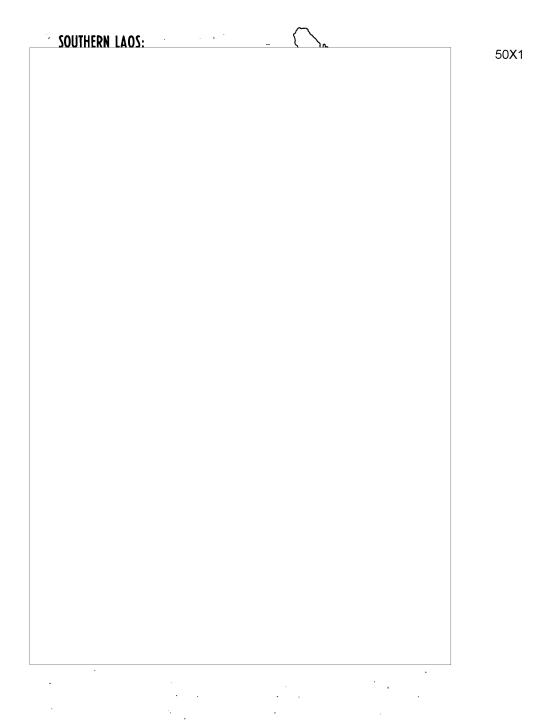
In Prey Veng Province, a Cambodian Army battalion at Kompong Trabek town on Route 1 was attacked by an estimated 100 enemy troops on the night of 28-29 June. Government units to the north of Kompong Trabek were attacked the same night by a larger enemy force. Local villagers report the Communists took heavy losses in that engagement.

In the north, the government sustained another setback when its outpost at Ban Phai in Preah Vihear Province was taken by the enemy yesterday.

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Elsewhere, South Vietnamese troops have broken the Communist offensive against Lovek in Kompong Chhnang Province, and are conducting clearing operations north, west, and south of the town. A South Vietnamese armored column also is moving north up Route 5 in an effort to open the road while allowing the Cambodians to repair damages on the parallel railway to the Thai border.

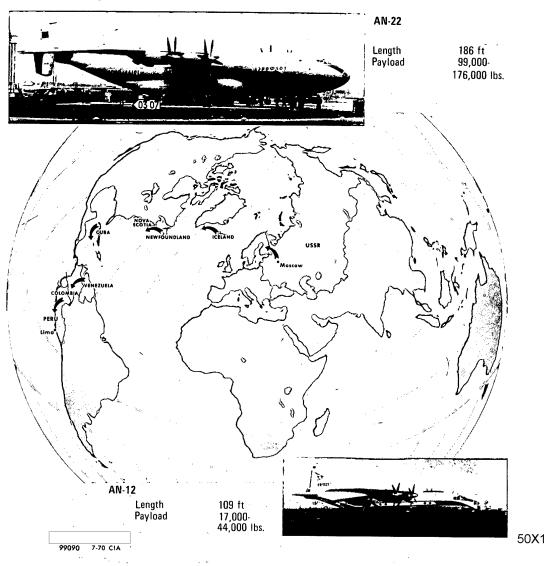
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Soviets Planning Massive Airlift to Peru



USSR-PERU

Sixty-five Soviet aircraft will carry Soviet goods to Peru during the first half of July in what will be the USSR's largest disaster relief program for the benefit of a foreign nation. The first aircraft will leave Moscow on Saturday, flying to Lima with stops in Iceland, Canada, Cuba, and Venezuela or Colombia. After a four-day lapse, the other flights will follow at the rate of eight to ten each day.

We do not know what cargoes will be flown in. One possibility is structural materials and tools to meet the need for emergency housing. The aircraft will be able to carry 700-1,000 tons.

Moscow's decision to provide Lima with emergency assistance coincides with a gradual change in Soviet attitudes toward military regimes. Over the past year, the USSR has looked on Peru in particular as providing the first in a potential series of opportunities to work with military regimes that take a leftist or "progressive" stance in their policies. In fact, Soviet propaganda has hailed the Peruvian Government as an example for all Latin America to follow.

Although the warming trend in Soviet-Peruvian relations was interrupted by Moscow's initial failure to come forward with promises of disaster assistance, the magnitude of its forthcoming effort should more than offset Lima's earlier criticism. Moreover, the demonstration of support will gain the Soviets a greater measure of respectability outside Peru.

Beyond serving as a demonstration of Soviet goodwill, the massive airlift will benefit Moscow in other ways. It will, among other things, constitute an unprecedented test of Soviet air transport capabilities in the Western hemisphere.

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FOR THE PRESIDENT ONLY

USSR-BERLIN

The "principles" Soviet Ambassador Abrasimov offered at the ambassadors' meeting Tuesday as the basis of an "intermediate" agreement on Berlin are in essence only a more detailed formulation of Soviet demands advanced in earlier four power meetings.

The key features would have the four powers agree to accept West Berlin as a "separate political entity" and would put an end to "the political presence of the FRG" in the city. Abrasimov said the USSR would not object if one of the three powers would assume the responsibility of consular representation of West Berlin-a role now performed by West Germany-and proposed that an "official Soviet representation" be opened in West Berlin.

The whole package is similar to the concept of West Berlin as a "free city" under four power administration developed under Khrushchev a decade ago.

Abrasimov indicated that he wanted a Western response to the Soviet proposals at the next meeting on 21 July, but emphasized Moscow would "never agree" to give up its insistence that there can be no political ties between Bonn and West Berlin. He gave no open encouragement to Western hopes for a bargain which would trade off some West German political rights in return for access guarantees. He did hint, however, that once the Soviet concept of an independent West Berlin is accepted, some progress might be possible on the matter of access. These hints were balanced by pointed reminders that West Berlin's physical isolation placed the burden of compromise on the West.

USSR

We still expect a central committee plenum today (see <u>The President's Daily Brief</u> of 27 June), but we still do not know whether it will deal with personnel changes.

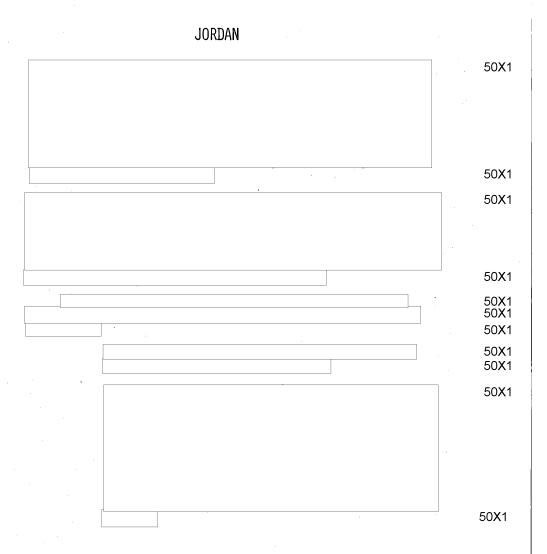
An honorable retirement for Premier Kosygin remains the most likely of various rumored shifts in the top Soviet leadership, and it might set in train other changes as well. A central committee plenum would, however, be the wrong occasion to announce a new appointment on the governmental side. The proper venue for this would be a session of the Supreme Soviet, and one is scheduled for 14 July.

What we would expect the plenum to do is to announce a date and agenda for the 24th Party Congress, already promised for some time late this year. Precedent requires this announcement to list the principal speakers for the Congress, and it is a foregone conclusion that the premier will speak on the next five-year plan. This poses a nice question for the leadership if it is planned for Kosygin to retire before the Congress.

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FOR THE PRESIDENT ONLY



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NOTE

Bolivia: The military is again putting pressure on President Ovando to remove leftists from his administration. The targets this time are four cabinet ministers and the armed forces commander in chief, General Torres, who does not seem to enjoy much support in the military. The army last night put troops in the La Paz area on alert to back up demands that Torres and the others be removed from their posts.

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